

## **EXHIBIT 8**



July 15, 2019

***VIA CERTIFIED MAIL – RETURN RECEIPT REQUESTED***

**9414810699945042212958**

Steven M. Koufakis  
President  
Metro Chrysler Plymouth, Inc.  
d/b/a Star Chrysler Jeep Dodge Fiat  
211-10 Jamaica Avenue  
Queens Village, NY 11428-1541

cc: Shaun M. Malone  
Bellavia Blatt, P.C.  
200 Old Country Road, Suite 400  
Mineola, NY 11501

Re: **NOTICE OF DEFAULT DATED APRIL 24, 2019**  
**CHRYSLER, JEEP, DODGE, AND RAM SALES AND SERVICE AGREEMENTS**

Dear Mr. Koufakis:

As you know, in a Notice of Default dated April 24, 2019, FCA US LLC ("FCA US"), formerly known as Chrysler Group LLC, notified you in good faith of your dealership's material breaches of the agreed contractual obligations set forth in its Chrysler, Dodge, Jeep, and RAM ("CDJR") Sales and Service Agreements ("Dealer Agreements") with respect to retail sales performance, customer satisfaction, and working capital. In the Notice of Default, which provided notice with due cause and in good faith, of Dealer's violations of the reasonable, necessary, and material terms and provisions of the Dealer Agreements in accordance with New York Vehicle and Traffic Law § 463 (the "Statute"), we requested that your dealership cure the identified breaches by:

- (i) Achieving the contractual minimum of 100% of its Minimum Sales Responsibility ("MSR") by October 31, 2019;
- (ii) Achieving rolling 3-month CPS Sales and Service Advocacy scores equal to or greater than the average of Dealer's National Sales Level Group for each of the months from May 2019 through October 2019; and
- (iii) Ensuring that its actual working capital meets the requirements of the Working Capital Guide by October 31, 2019.

We further informed you that your dealership's failure to cure the identified breaches by October 31, 2019 may result in FCA US exercising its rights and remedies pursuant to the Dealer Agreements and applicable law (including the Statute), including, without limitation, issuing a notice of termination of the Dealer Agreements.

We write now to provide more recent information and data with respect to your dealership's performance of these contractual obligations.

Northeast Business Center  
108 Route 303  
Tappan, NY 10983

**YOUR DEALERSHIP'S SALES PERFORMANCE OBLIGATIONS**

Under the Dealer Agreements, your dealership agreed to use its "best efforts to promote energetically and sell aggressively and effectively at retail" each and every model of each vehicle line covered by the respective Dealer Agreement. Your dealership also agreed to "actively and effectively sell and promote the retail sale" of each vehicle line in its assigned Sales Locality. Your dealership also agreed to achieve its MSR for each vehicle line. These obligations are set forth in Paragraph 4 of each Dealer Agreement and Paragraph 11(a) of the Additional Provisions of each Dealer Agreement.

The following charts show your dealership's recent and historic MSR performance:

**All Lines:**

Month/Year Year-to-Date (YTD)	Dealer's Sales	Dealer's Sales Needed to Obtain 100% MSR	% MSR Attained	Sales Dealer Lost (vs MSR)
March 2019	118	429	27.5%	(311)
December 2018	817	2,025	40.4%	(1208)
December 2017	1,082	1,903	56.9%	(821)
December 2016	1,381	2,056	67.2%	(675)
December 2015	1,465	2,296	63.8%	(831)
December 2014	947	2,115	44.8%	(1168)
December 2013	749	1,624	46.1%	(875)
December 2012	760	935	81.3%	(202)
December 2011	622	771	80.7%	(163)

Chrysler:

Month/Year (YTD)	Dealer's Sales	Dealer's Sales Needed to Obtain 100% MSR	% MSR Attained	Sales Dealer Lost (vs MSR)
March 2019	8	34	23.5%	(26)
December 2018	75	180	41.7%	(105)
December 2017	70	195	35.9%	(125)
December 2016	138	237	58.2%	(99)
December 2015	238	377	63.1%	(139)
December 2014	151	389	38.8%	(238)
December 2013	123	343	35.9%	(220)
December 2012	137	234	58.6%	(97)
December 2011	104	180	57.8%	(76)

Dodge:

Month/Year (YTD)	Dealer's Sales	Dealer's Sales Needed to Obtain 100% MSR	% MSR Attained	Sales Dealer Lost (vs MSR)
March 2019	21	62	33.9%	(41)
December 2018	141	327	43.1%	(186)
December 2017	208	388	53.6%	(180)
December 2016	259	439	59.0%	(180)
December 2015	318	511	62.2%	(193)
December 2014	308	589	52.3%	(281)
December 2013	341	545	62.6%	(204)
December 2012	259	232	111.6%	0
December 2011	225	211	106.6%	0

Jeep:

Month/Year (YTD)	Dealer's Sales	Dealer's Sales Needed to Obtain 100% MSR	% MSR Attained	Sales Dealer Lost (vs MSR)
March 2019	80	310	25.8%	(230)
December 2018	577	1437	40.2%	(860)
December 2017	764	1240	61.6%	(476)
December 2016	943	1309	72.0%	(366)
December 2015	871	1354	64.3%	(483)
December 2014	453	1085	41.8%	(632)
December 2013	259	700	37.0%	(441)
December 2012	355	450	78.9%	(95)
December 2011	293	380	77.1%	(87)

RAM:

Month/Year (YTD)	Dealer's Sales	Dealer's Sales Needed to Obtain 100% MSR	% MSR Attained	Sales Dealer Lost (vs MSR)
March 2019	9	23	39.1%	(14)
December 2018	24	81	29.6%	(57)
December 2017	40	80	50.0%	(40)
December 2016	41	71	57.8%	(30)
December 2015	38	54	70.4%	(16)
December 2014	35	52	67.3%	(17)
December 2013	26	36	72.2%	(10)
December 2012	9	19	47.4%	(10)

As shown above, for each vehicle line that you represent, your dealership's sales remain substantially below its contractual MSR requirement of 100% MSR. Indeed, your dealership is *barely reaching one-quarter* of its aggregate MSR obligation for March 2019 YTD. We are not writing to alert you to some minor shortfall in your dealership's sales performance. Rather, your dealership's deficient sales performance, as measured against the minimum expected volume of retail new vehicle sales, has resulted in a loss of *thousands* of new retail sales, including at least 6,091 lost CDJR sales since January 1, 2012.

Moreover, your dealership is failing to effectively represent the CDJR lines in its assigned trade zone. Your dealership's trade zone was only 85% registration effective through March 2019 YTD, which means significant additional unrealized opportunity exists for the CDJR lines.

In addition, your dealership is failing to capitalize on the demand for CDJR line vehicles in its assigned trade zone. Instead, other CDJR line dealers account for a substantial majority of registrations in your dealership's trade zone. Indeed, through March 2019 YTD, your dealership sold only 13% of new CDJR line vehicles registered in its trade zone.

The data points above demonstrate that your dealership is failing to actively, effectively, energetically, and aggressively promote and sell at retail CDJR line vehicles in its Sales Locality, as it agreed to do in Paragraphs 4 and 11(a) of its Dealer Agreements and, therefore, continues to be in breach of a material term of the Dealer Agreements. It is imperative that you take immediate steps to address your dealership's deficient sales performance.

**AS A REMINDER, YOUR DEALERSHIP MUST CURE ITS RETAIL SALES PERFORMANCE DEFAULT BY ACHIEVING 100% OF ITS MSR OBLIGATION BY OCTOBER 31, 2019.**

**YOUR DEALERSHIP'S CUSTOMER SATISFACTION OBLIGATIONS**

Under the Dealer Agreements, your dealership also agreed to meet a minimum customer satisfaction standard. Customer satisfaction has been measured by the Customer Promoter Score ("CPS") since 2009. Starting in April 2013, as part of FCA US's "Customer Experience Initiative" ("CEI"), CPS reports the percentage of customers willing to advocate for and recommend a dealer with respect to sales and service. Your dealership is required to maintain a CPS advocacy score in both sales and service that is equal to or better than the average of your dealership's National Sales Level Group in both categories.

The following charts show your dealership's recent CPS advocacy scores:

3-Month Score Through Mon/Year	<u><b>CPS SALES ADVOCACY</b></u>		<u><b>CPS SERVICE ADVOCACY</b></u>	
	Dealer	National Sales Level Group Average	Dealer	National Sales Level Group Average
May 2017	89.6%	93.7%	64.3%	81.4%
June 2017	91.1%	93.4%	62.1%	81.7%
July 2017	92.0%	93.1%	58.8%	81.5%
August 2017	92.5%	93.1%	57.7%	81.4%
September 2017	87.2%	93.2%	58.6%	81.3%
October 2017	84.6%	93.3%	64.5%	81.4%
November 2017	84.0%	93.5%	60.7%	81.6%
December 2017	88.4%	93.7%	60.0%	81.9%
January 2018	88.9%	93.7%	63.3%	82.3%
February 2018	86.7%	93.8%	69.6%	82.8%
March 2018	87.9%	93.9%	66.3%	83.1%
April 2018	93.4%	94.2%	59.7%	83.3%
May 2018	93.2%	94.1%	62.0%	83.7%
June 2018	95.5%	94.0%	64.9%	83.9%
July 2018	94.1%	93.9%	66.7%	83.7%
August 2018	97.7%	94.0%	59.4%	82.8%
September 2018	100.0%	94.0%	60.0%	81.9%
October 2018	100.0%	94.1%	59.4%	81.9%
November 2018	100.0%	94.2%	61.8%	82.3%
December 2018	93.3%	94.1%	55.9%	82.5%
January 2019	86.4%	93.7%	58.1%	82.4%
February 2019	88.2%	93.8%	61.5%	82.7%
March 2019	90.6%	94.0%	68.4%	83.1%

As shown above, your dealership is failing to consistently achieve levels of Sales and Service Advocacy that are equal to or better than the average of your dealership's National Sales Level Group. As reflected in your CPS advocacy scores, your dealership is not meeting its customer satisfaction obligations. Indeed, on a rolling three-month basis, your dealership's score was below the National Sales Level Group Average for 17 out of the last 23 months for Sales Advocacy, and 23 out of the last 23 months for Service Advocacy. As such, your dealership continues to fall short of its customer satisfaction obligations.

**AS A REMINDER, YOUR DEALERSHIP MUST CURE ITS CUSTOMER SATISFACTION DEFAULT BY OCTOBER 31, 2019.** Your dealership may cure this default by achieving rolling 3-month CPS Sales and Service Advocacy scores equal to or greater than the average of Dealer's National Sales Level Group for each of the months from May 2019 through October 2019.

**YOUR DEALERSHIP'S WORKING CAPITAL OBLIGATIONS**

In Paragraph 11(e) of your Dealer Agreements, your dealership agreed to maintain the net working capital necessary to successfully carry out all of its obligations under each Dealer Agreement in accordance with the Working Capital Guide and any applicable Minimum Working Capital Agreement.

The following chart shows your dealership's working capital deficiencies:

Month/Year	Dealer's Working Capital	Working Capital Guide	Working Capital Deficiency
May 2019	(\$759,337)	\$3,400,000	(\$4,159,337)
December 2018	\$221,245	\$3,200,000	(\$2,978,755)
December 2017	\$1,995,454	\$3,400,000	(\$1,404,546)
December 2016	\$3,157,995	\$4,078,800	(\$920,805)
December 2015	\$3,747,155	\$3,504,600	\$0
December 2014	\$3,026,049	\$3,211,200	(\$185,151)
December 2013	\$2,207,046	\$2,391,900	(\$184,854)
December 2012	\$1,688,124	\$1,834,800	(\$146,676)
December 2011	\$1,581,058	\$1,826,000	(\$244,942)

As demonstrated above, your dealership still is not meeting its working capital obligations. Indeed, your dealership is currently operating with a negative working capital balance, which causes us to be particularly concerned that your dealership is not adequately capitalized to meet the sales opportunities available to it.

**AS A REMINDER, YOUR DEALERSHIP MUST CURE ITS WORKING CAPITAL DEFAULT BY OCTOBER 31, 2019.** Your dealership may cure this default by ensuring that its actual working capital meets the requirements of the Working Capital Guide by October 31, 2019.

**OPPORTUNITY TO CURE DEFAULTS**

**IF YOUR DEALERSHIP FAILS TO CURE THE FOREGOING DEFAULTS AS INDICATED BY OCTOBER 31, 2019, FCA US INTENDS TO EXERCISE ITS RIGHTS AND REMEDIES PURSUANT TO THE DEALER AGREEMENTS AND APPLICABLE LAW (INCLUDING THE STATUTE), INCLUDING, WITHOUT LIMITATION, ISSUING A NOTICE OF TERMINATION OF THE DEALER AGREEMENTS.**



As always, we stand ready to assist you in your efforts to improve your dealership's performance. As a reminder, FCA US provides many tools and programs for you to use in your efforts to improve your dealership's performance, including those tools and programs set forth in **Appendix A**. In addition, we encourage you to contact your Area Manager should you wish to discuss your dealership operations and performance.

We remain hopeful that you share our desire to reverse the matters addressed in this letter and the Notice of Default. Please feel free to call us to discuss these issues.